

DOCKET FILE COPY ORIGINAL
Property and Construction Management Department

Boston Public Facilities Department

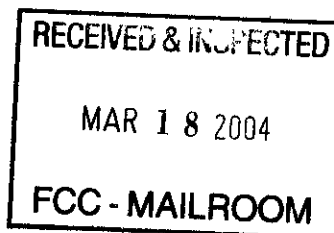
Thomas M. Menino, Mayor

Michael J. Galvin, Commissioner and Director



March 18, 2004

Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554



Re: Request for Review
Form 471 Application Number 15109
Applicant: City of Boston Department of Neighborhood Development
Billed Entity Number: 157822
CC Docket Number: 02-6

Dear FCC Representative:

This letter serves as an appeal of "Administrator's Decision on Appeal - Funding Year 1999-2000" letter dated January 20, 2004 for Funding Request Numbers 257189, 257192, 257193, 257197, 257199, 257202 sent by the Universal Service Administrative Company (USAC) School and Libraries Division (SLD) to the City of Boston Department of Neighborhood Development (the City).

During Funding Year 7/1/1999-6/30/2000, the City managed a contract with the WT Rich Company for technology and electrical upgrades at seven Boston public schools. The FRN numbers referenced above are for six of the seven schools within this contract. The total contract amount was \$4,401,000.00. Of the total contract amount, \$1,707,862.00 was for ineligible services for which the City did not seek reimbursement from the SLD. The remaining \$2,693,138.00 of the contract was for eligible services for which the city paid \$298,469.00 and the SLD paid \$2,394,669.00.

At the time these services were provided the service provider submitted detailed backup to their invoices to the SLD. These invoices were approved and paid by the SLD. The

ROOM 811, BOSTON CITY HALL, BOSTON, MA 02201 617-635-4100 FAX: 617-635-3250
CAPITAL CONSTRUCTION OFFICE
26 COURT STREET, 10TH FLOOR, BOSTON, MA 02108 617-635-0546 FAX: 617-635-0555

No. of Copies rec'd 0
List ABCDE

City was never notified that any of those services were ineligible for reimbursement. The City believes that all services paid for by the SLD were eligible for reimbursement under the program guidelines. The City made all necessary payments to the service provider for both the City's portion of the eligible services and all ineligible services under this contract.

The City participated in an audit of this contract conducted for the SLD by Arthur Andersen in August 2001. The draft final report sent by USAC on May 9, 2002 did not identify any inconsistencies with City procedures for contracting for eligible services, paying vendors for non-reimbursable services, acceptance of services or delivery or installation of equipment.

For this application, the total approved funding amount according to the Funding Commitment Report and the audit was \$2,918,520.00 (Funding Commitment Report attached). The amount the City identified for eligible services under this contract based on a detailed breakdown of scope of work was \$2,394,669.00. At the time of the audit, SLD records indicated that the service provider had successfully invoiced the SLD for a total of \$2,680,340.00. However, the service provider had previously returned \$285,660.58 to the SLD that had mistakenly been invoiced. Once this return is accounted for the amount paid by the SLD matches exactly the amount identified by the City as eligible for reimbursement under this application. A copy of the service provider's correspondence relating to this refund and copies of checks are attached.

The City has never been notified by the SLD that any specific work performed under this contract and previously deemed eligible for reimbursement was later considered ineligible for reimbursement. Through careful review of a detailed scope of work performed under the contract the City separated out all ineligible services performed under the contract and paid for all of those services. The City carefully reviewed the eligible work performed and paid the City's portion of the cost of that work.

It should be noted that the SLD procedures in place at the time this work was completed did not provide for participation by the City in the SLD payment approval process. While the City worked with its vendors to monitor the billing for these projects, there was no opportunity for the City to review and/or approve invoices submitted by the vendor to the SLD. However, the City still firmly believes that all work billed as eligible for reimbursement was eligible under program guidelines. All work deemed eligible for reimbursement was directly related to installation of the technology infrastructure necessary to expand data access throughout the seven schools in the contract.

The City appeals the Administrator's Decision on Appeal. No funds were disbursed in excess of the eligible products and services delivered. The City carefully managed the services provided under this approved SLD application as well as the payments for these services. The SLD has not informed the City of any specific services provided under this contract and paid for by the SLD that are now being considered ineligible.

I would be glad to answer any questions regarding this application. I look forward to a prompt resolution of this appeal. Thank you in advance for your consideration.

Sincerely,



Janet Fishstein
Assistant Director
City of Boston Public Facilities Department
26 Court Street
Boston, MA 02108
Janet.Fishstein.FFD@ci.boston.ma.us
Phone: 617/635-0550
Fax: 617/635-0555

USAC

UNIVERSAL SERVICE
ADMINISTRATIVE CO.

SCHOOLS AND LIBRARIES DIVISION

Box 125 - Correspondence Unit
100 South Jefferson Road
Whippany, NJ 07981

City of Boston, Dept of Neighb
DEBORAH LIVINGSTON
26 COURT ST FL 10
BOSTON MA 02108-2504

August 3, 1999

Re: Form 471 Application Number: 151059
Funding Year: 07/01/1999 - 06/30/2000
Billed Entity Number: 157822

Thank you for your 1999-2000 E-rate application and for any assistance you provided throughout our review. We have completed processing of your Form 471. This letter is to advise you of our decisions.

FUNDING COMMITMENT REPORT

From your Form 471, we reviewed row-by-row discount requests in Items 15 and 16. We assigned each row a Funding Request Number (FRN). On the pages following this letter, we have provided a Funding Commitment Report for each FRN in your application.

Attached to this letter you will find a guide that defines each line of the Funding Commitment Report and a complete list of FRNs from your application. The SLD is also sending this information to your service provider(s) so arrangements can be made to begin implementing your E-rate discount(s). We would encourage you to contact your service providers to let them know your plans regarding these services.

FOR QUESTIONS

If you have questions regarding our decisions on your E-rate application, please notify us in writing. Your questions should be sent to: Questions, Schools and Libraries Division, Universal Service Administrative Company, Box 125 - Correspondence Unit, 100 South Jefferson Road, Whippany, NJ 07981.

FOR APPEALS

If you wish to appeal to the SLD, your appeal must be made in writing and received by us within 30 days of issuance of this letter as indicated by its postmark. In your letter of appeal, please include: correct contact information for the appellant, information on the Funding Commitment Decision you are appealing and the specific Funding Request Number in question, and an original authorized signature. Appeals sent by fax, e-mail or phone call cannot be processed. Please mail your appeal to: Letter of Appeal, Schools and Libraries Division, Box 125 - Correspondence Unit, 100 South Jefferson Road, Whippany, NJ 07981. You may also call our Client Service Bureau at 888-203-8100. While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC): FCC, Office of the Secretary, 445 12th Street SW, Room TW-A 325, Washington, D.C. 20554.

NEXT STEPS

Once you have reviewed this letter and have determined that some or all of your requests have been funded, your next step is to complete and submit the enclosed FCC Form 486. This Form notifies the SLD that you are currently receiving or have begun receiving services approved for discounts and provides certified indication that your technology plan(s) has been approved. As you complete your Form 486, you should also contact your service provider to verify they have received notice from the SLD of your commitments. After the SLD processes your Form 486, we can begin processing invoices from your service provider(s) so they can be reimbursed for discounted services they have provided you. For further detailed information on next steps, please review all enclosures.

POST-COMMITMENT REMINDER

We would like to remind you that all approved applicants are subject to post-funding commitment audits and other reviews by the SLD to assure that the discounts are being used in compliance with the program rules. Any applicant that is found to have violated program rules will be subject to enforcement activities and other means of recourse by the SLD and other appropriate Federal, State and local authorities.

We look forward to continuing our work with you on connecting our schools and libraries together through communications.

Sincerely,
Kate L. Moore
President, Schools and Libraries Division, USAC

Enclosures

EXPLANATION OF A FUNDING COMMITMENT REPORT

Attached to this letter will be a report for each approved E-rate funding request from your application. We are providing the following definitions.

- * **FUNDING REQUEST NUMBER (FRN):** A Funding Request Number is assigned by the SLD to each line completed in Items 15 and 16 of your Form 471 once an application has been processed. This number is used to report to applicants and vendors the status of individual discount requests submitted on a Form 471. Applicants and vendors learned about FRNs when they received their Receipt Acknowledgement Letter and must use these numbers when completing the Form 486 and Invoices. An FRN will never be longer than 10 digits. If a FRN is shorter than 10 digits, applicants are advised to add zeroes to the front of the numbers to reach 10 digits when filing post-commitment forms.
- * **FUNDING STATUS:** Each FRN will have one of six definitions: "Funded", "Denied", "Partially Funded", "Funds Exhausted", "Unfunded", or "As Yet Unfunded". An FRN that is "Funded" will be approved at the level that SLD determined is appropriate for that item. That will generally be the level requested by you unless the SLD determines during the application review process that some adjustment is appropriate, for example, a different discount percentage for that FRN than the Form 471 featured. A "Denied" FRN is one for which no funds will be committed, and the reason for that decision will be briefly explained in the "Funding Commitment Decision", and amplification of that explanation may be offered in the section, "Funding Commitment Decision Explanation". In accordance with FCC program rules, FRNs are "Partially Funded" or "Unfunded", if the total amount of funds in the Universal Service Fund is insufficient to fully fund or fund all approved requests. If the Form 471 was received after all the funds in the Universal Service Fund were allocated and it was processed, the status will indicate "Unfunded - Funds Exhausted". "As Yet Unfunded" is a temporary status that would be assigned to an FRN when the SLD is uncertain at the time the letter is generated whether there will be sufficient funds to make commitments for a particular service type at a particular discount level. For example, if your application included both telecommunications services and internal connections, you might receive a letter with our funding commitment for your telecommunications requests and a message that your internal connections requests are "As Yet Unfunded". You would then receive a later letter regarding our funding decision on your internal connections requests.
- * **SPIN (Service Provider Identification Number):** A unique number assigned by the Universal Service Administrative Company to vendors seeking payment from the Universal Service Fund for participating in the universal service support programs. A SPIN contains 9 digits and should be included by applicants on their completed Form 471 applications. A SPIN is also used to verify delivery of services and to arrange for payment.
- * **SERVICE PROVIDER NAME:** The legal name of the service provider.
- * **PROVIDER CONTRACT NUMBER:** The number of the contract between the eligible party and the service provider. This will be present only if a contract number was provided on Form 471.
- * **SERVICES ORDERED:** The type of service ordered from the service provider, as shown on Form 471.
- * **EARLIEST POSSIBLE EFFECTIVE DATE OF DISCOUNT:** The first possible date of service for which the SLD will reimburse service providers for the discounts for the service. Note: If the actual service start date provided on a Form 486 is later than this date, the actual service start date set forth in the Form 486 will be the effective date of the discount.
- * **CONTRACT EXPIRATION DATE:** The date the contract expires. This will be present only if a contract expiration date was provided on Form 471. This is not applicable for tariff services.
- * **SITE IDENTIFIER:** This will appear only for FRNs listed in Item 16 of your Form 471. For public schools, the 12-digit NCES code you listed in Item 14 for this school site will appear here. If there is no NCES Code for an FRN in Item 16, the SLD-assigned entity number will appear here.
- * **PRE-DISCOUNT COST:** Amount in Column 10 of Item 15/16, Form 471, as determined through the application review process. Please note that, during the Problem Resolution process at SLD, the amount in Col. 10 of Item 15/16 may have been corrected to conform to the information provided about Service Start Date and

Monthly Costs.

- * DISCOUNT PERCENTAGE APPROVED BY THE SLD: This is the discount rate that the SLD has approved for this service.
- * FUNDING COMMITMENT DECISION: This represents the total amount of funding that the SLD is now reserving to reimburse service providers for the discounts for this service through June 30, 2000. This figure may be different from the Estimated Total Annual Pre-Discount Cost (Col. 10 of Item 15/16) times the Percentage Discount (Col. 11 of Item 15/16) in the 471 application. It may be lower because of an adjustment determined appropriate by the SLD, such as of the discount percentage, or a denial of discounts and, if so, the accompanying comment will explain this difference. The difference may also reflect a reduction from the request level made necessary by overall funding limitations, in which case the "Funding Status" above will indicate "Partially Funded" or "Unfunded". Whatever amount is listed here, it is important that you and the service provider both recognize that the SLD should be invoiced and the SLD may direct disbursement of discounts on only eligible, approved services actually rendered.
- * FUNDING COMMITMENT DECISION EXPLANATION: This entry may appear to amplify the comment in the "Funding Commitment Decision", if the discount request for this service is denied for reasons other than "Unfunded" or if the SLD determined that some adjustment to the request level was appropriate.

FUNDING COMMITMENT REPORT FOR APPLICATION NUMBER: 0000151059

Funding Request Number: 0000257189 Funding Status: Funded
SPIN: 143016349 Service Provider Name: W.T.Rich Company, Inc.
Provider Contract Number: C0245599
Services Ordered: Internal Connections
Earliest Possible Effective Date of Discount: 07/01/1999
Contract Expiration Date: 09/18/2000
Site Identifier: 25 C2790 00198
Pre-discount Cost: \$346,857.21
Discount Percentage Approved by the SLD: 90%
Funding Commitment Decision: \$312,171.49 - 471 approved as submitted

Beethoven

Funding Request Number: 0000257192 Funding Status: Funded
SPIN: 143016349 Service Provider Name: W.T.Rich Company, Inc.
Provider Contract Number: C0245599
Services Ordered: Internal Connections
Earliest Possible Effective Date of Discount: 07/01/1999
Contract Expiration Date: 09/18/2000
Site Identifier: 25 C2790 00220
Pre-discount Cost: \$459,246.12
Discount Percentage Approved by the SLD: 90%
Funding Commitment Decision: \$413,321.51 - 471 approved as submitted

FLHS

Funding Request Number: 0000257193 Funding Status: Funded
SPIN: 143016349 Service Provider Name: W.T.Rich Company, Inc.
Provider Contract Number: C0245599
Services Ordered: Internal Connections
Earliest Possible Effective Date of Discount: 07/01/1999
Contract Expiration Date: 09/18/2000
Site Identifier: 25 C2790 00247
Pre-discount Cost: \$318,083.16
Discount Percentage Approved by the SLD: 90%
Funding Commitment Decision: \$295,274.84 - 471 approved as submitted

Grew

Funding Request Number: 0000257195 Funding Status: Funded
SPIN: 143016349 Service Provider Name: W.T.Rich Company, Inc.
Provider Contract Number: C0245599
Services Ordered: Internal Connections
Earliest Possible Effective Date of Discount: 07/01/1999
Contract Expiration Date: 09/18/2000
Site Identifier: 25 C2790 00278
Pre-discount Cost: \$285,388.52
Discount Percentage Approved by the SLD: 80%
Funding Commitment Decision: \$188,310.82 - 471 approved as submitted

KILMER

Funding Request Number: 0000257197 Funding Status: Funded
SPIN: 143016349 Service Provider Name: W.T.Rich Company, Inc.
Provider Contract Number: C0245599
Services Ordered: Internal Connections
Earliest Possible Effective Date of Discount: 07/01/1999
Contract Expiration Date: 09/18/2000
Site Identifier: 25 C2790 00279
Pre-discount Cost: \$615,984.35
Discount Percentage Approved by the SLD: 90%
Funding Commitment Decision: \$563,385.92 - 471 approved as submitted

Lewis

FUNDING COMMITMENT REPORT FOR APPLICATION NUMBER: 0000151059

Funding Request Number: 0000257199 Funding Status: Funded
SPIN: 143016349 Service Provider Name: W.T.Rich Company, Inc.
Provider Contract Number: C0245599
Services Ordered: Internal Connections
Earliest Possible Effective Date of Discount: 07/01/1999
Contract Expiration Date: 09/18/2000
Site Identifier: 25 00790 00264
Pre-discount Cost: \$198,613.80
Discount Percentage Approved by the SLD: 90%
Funding Commitment Decision: \$178,752.42 - 471 approved as submitted

PHILBRICK

Funding Request Number: 0000257202 Funding Status: Funded
SPIN: 143016349 Service Provider Name: W.T.Rich Company, Inc.
Provider Contract Number: C0245599
Services Ordered: Internal Connections
Earliest Possible Effective Date of Discount: 07/01/1999
Contract Expiration Date: 09/18/2000
Site Identifier: 25 00790 00345
Pre-discount Cost: \$1,074,781.10
Discount Percentage Approved by the SLD: 90%
Funding Commitment Decision: \$967,302.99 - 471 approved as submitted

ROGERS



W. T. RICH COMPANY, INC.

June 22, 2000

Schools and Libraries Division
P.O. Box 125
Correspondence Unit
80 South Jefferson Road
Whippany, NJ 07981

Reference: Technology Upgrade
City of Boston
Project No 6577-4

SITN No 143016349

Gentlemen:

Attached please find a Payment Log for the following FRN numbers: 257189, 257192, 257193, 257195, 257197, 257199 and 257202.

With all due apologies we enclose four separate checks for:

FRN 257189	\$1,654.49
FRN 257192	\$91,545.51
FRN 257193	\$17,194.84
FRN 257202	\$175,265.74

These were over invoiced and subsequently over paid by SLD, totaling Two Hundred Eight Five Thousand Six Hundred Sixty Dollars Fifty Eight Cents (\$285,660.58). We have also corrected our current invoice to reflect the amount due to us on FRN No 257195 (\$188,310.82) and FRN 257197 (\$480,331.76) which totals Six Hundred Sixty Eight thousand Six Hundred Forty Two Dollars Fifty Eight Cents (\$668,642.58).

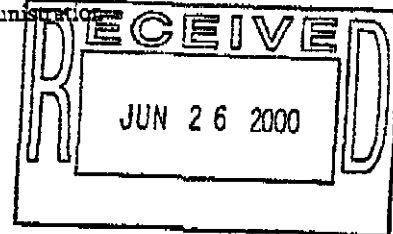
We expect that this log is self-explanatory, however, in the event that you have any questions, please contact me at 617-787-5400 ext 16.

Very truly yours,

W. T. RICH COMPANY, INC.

Ann-Marie Clemente
Ann-Marie Clemente
Contract Administrator

cc: Linda McGrath, DND w/enc.
✓ Deb Livingston w/enc.
622SLD



214 LINCOLN STREET, SUITE 320 • ALLSTON, MA 02134
TEL: 617-787-5400 • FAX: 617-787-5959 • WEBSITE: WWW.WTRICH.COM

SLD Payment Recap
Revised: 6/22/00

ERN	School	WTR CARRIED	Amount Paid By SLD	+/-
257189	Beethoven	\$310,517.00	\$312,171.49	\$1,654.49 Over Paid
	+/-			
257192	Ellis	\$321,776.00	\$413,321.51	\$91,545.51 Over Paid
	+/-			
257193	Grew	\$278,080.00	\$295,274.84	\$17,194.84 Over Paid
	+/-			
257195	Kilmer	\$188,310.82	\$0.00	-\$188,310.82 Must Be Invoiced On No. 8
	+/-			
257197	Lewis	\$536,796.76	\$56,465.00	-\$480,331.76 Must Be Invoiced On No. 8
	+/-			
257199	Philbrick	\$178,752.42	\$178,752.42	\$0.00 Balanced
	+/-			
257202	Rogers	\$580,436.00	\$755,701.74	\$175,265.74 Over Paid
	+/-			
Total		\$2,394,669.00	\$2,011,687.00	\$668,642.58 Total Amount Owed To WTR By SLD 6/22/00 \$285,660.58 Total Amount Sent To SLD 6/22/00 For Over Payments
				\$2,011,687.00 Total Paid
				\$285,660.58 Issued Back
				\$1,726,026.42 Revised Total Paid
				\$668,642.58 Invoice No. 8
				\$2,394,669.00

W.T. RICH COMPANY, INC.

01442

ENDOR#-72800	NAME-SCHOOLS AND LIBRARIES DIVISION	DATE-06/22/00	01442
OUR INVOICE NO	INV DATE	AMOUNT	DIS/RTNG REFERENCE
	06/22/00	1654.49	.00 FRN 257189
			NET AMOUNT
			1,654.49

TOTALS	1654.49	.00	1,654.49
--------	---------	-----	----------



W. T. RICH COMPANY, INC.
214 Lincoln Street, Suite 320
Boston, MA 02134

FLEET BANK
Boston, MA
5-13/110

01442

PAY ONE THOUSAND SIX HUNDRED FIFTY-FOUR AND 49/100 DOLLARS

AMOUNT

TO THE ORDER OF 72800
SCHOOLS AND LIBRARIES DIVISION
P.O. BOX 125
80 SOUTH JEFFERSON ROAD
WHIPPANY NJ 07981

06/22/00

*****1,654.49

AUTHORIZED SIGNATURE

⑈00001442⑈ ⑆011000138⑆ 00229 81351⑈

RICH COMPANY, INC.

01443

DOR#-72800	NAME-SCHOOLS AND LIBRARIES DIVISION	DATE-06/22/00	01443
R INVOICE NO	INV DATE	AMOUNT	DIS/RTNG REFERENCE
	06/22/00	91545.51	.00 FRN 257192
			NET AMOUNT
			91,545.51

ALS	91545.51	.00	91,545.51
-----	----------	-----	-----------



W. T. RICH COMPANY, INC.
214 Lincoln Street, Suite 320
Boston, MA 02134

FLEET BANK
Boston, MA
5-13/110

01443

☒ NINETY-ONE THOUSAND FIVE HUNDRED FORTY-FIVE ☐ DATE 51/100
DOLLARS

☐ AMOUNT

06/22/00

\$***91,545.51

TO THE ORDER OF 72800
SCHOOLS AND LIBRARIES DIVISION
P.O. BOX 125
80 SOUTH JEFFERSON ROAD
WHIPPANY NJ 07981


AUTHORIZED SIGNATURE

⑈00001443⑈ ⑆011000138⑆ 00229 81351⑈

RICH COMPANY, INC.

01444

OR#-72800	NAME-SCHOOLS AND LIBRARIES DIVISION	DATE-06/22/00	01444
INVOICE NO	INV DATE	AMOUNT	DIS/RTNG REFERENCE
	06/22/00	17194.84	.00 FRN 257193
			NET AMOUNT
			17,194.84

ALS	17194.84	.00	17,194.84
-----	----------	-----	-----------



W. T. RICH COMPANY, INC.
214 Lincoln Street, Suite 320
Boston, MA 02134

FLEET BANK
Boston, MA
5-13/110

01444

SEVENTEEN THOUSAND ONE HUNDRED NINETY-FOUR AND 4/100
DOLLARS

AMOUNT

06/22/00 \$***17,194.84

THE
ORDER 72800
SCHOOLS AND LIBRARIES DIVISION
P.O. BOX 125
80 SOUTH JEFFERSON ROAD
WHIPPANY NJ 07981

AUTHORIZED SIGNATURE

⑈00001444⑈ ⑆011000138⑆ 00229 81351⑈

RICH COMPANY, INC.

01445

OR#-72800	NAME-SCHOOLS AND LIBRARIES DIVISION	DATE-06/22/00	01445
INVOICE NO	INV DATE	AMOUNT	DIS/RTNG REFERENCE
	06/22/00	175265.74	.00 FRN 257202
			NET AMOUNT
			175,265.74

ALS

175265.74

.00

175,265.74



W. T. RICH COMPANY, INC.
214 Lincoln Street, Suite 320
Boston, MA 02134

FLEET BANK
Boston, MA
5-13/110

01445

ONE HUNDRED SEVENTY-FIVE THOUSAND TWO HUNDRED **DATE**
SIXTY-FIVE AND 74/100 DOLLARS

AMOUNT

06/22/00

\$**175,265.74

THE ORDER 72800
SCHOOLS AND LIBRARIES DIVISION
P.O. BOX 125
80 SOUTH JEFFERSON ROAD
WHIPPANY NJ 07981


AUTHORIZED SIGNATURE

⑈00001445⑈ ⑈011000138⑈ 00229 81351⑈